

## 1.0 Veterans' Nursing Home

### Summary

The 1995 Legislature passed Senate Bill 197, "Utah Veterans' Home", which authorized the construction of an 80-bed Utah State Veterans' Nursing Home. The construction of the facility has been completed and patients have been admitted. The current census of the facility is 80.

### Financial Summary

	FY 2000
<b><u>Plan of Financing</u></b>	<b><u>LFA</u></b>
Federal Funds	\$1,109,600
Dedicated Credits	1,603,700
Beginning Non-Lapsing	90,000
<b>Total</b>	<b><u><u>\$2,803,300</u></u></b>
<b><u>Programs</u></b>	
Veterans' Nursing Home	<u>\$2,803,300</u>
<b>Total</b>	<b><u><u>\$2,803,300</u></u></b>

### 3.1 Veterans' Nursing Home

**Recommendation** The Analyst recommends funding in the amount of \$2,803,300 for the Veterans' Nursing Home for FY 2000. The major source of funding is from patient fees. These fees (listed as dedicated credits), with the anticipated federal revenue are used for the day-to-day operation of the facility. The Department has established a schedule of charges for residents in cases where those residents have available resources (UCA 71-11-5 (1)(b)). The Legislature originally appropriated \$500,000 from the General Fund for the initial operating costs of the home. These funds have been carried as non-lapsing for the past couple of years. Most of those funds are expected to be spent during the current fiscal year, when the bulk of the start-up costs are expected to be incurred. A balance of \$90,000 is expected to be carried forward into FY 2000.

### 3.1 Funding

	FY 1998	FY 1999	FY 2000	Difference
<u>Plan of Financing</u>	<u>Actual</u>	<u>Estimated</u>	<u>LFA</u>	<u>Est./LFA</u>
Federal Funds	\$0	\$934,400	\$1,109,600	\$175,200
Dedicated Credits	63,036	1,560,000	1,603,700	43,700
Beginning Non-Lapsing	597,973	654,700	90,000	(564,700)
Closing Non-Lapsing	(654,709)	(90,000)	0	90,000
<b>Total</b>	<b>\$6,300</b>	<b>\$3,059,100</b>	<b>\$2,803,300</b>	<b>(255,800)</b>
% Change		48457.14%	(8.36%)	
FTE	0.0	2.0	2.0	0.0

**Summary** The 1995 Legislature appropriated \$1.8 million through DFCM as the state's share of the construction costs of the Veteran's Nursing Home. These funds qualified for federal matching funds from the United States Department of Veteran Affairs in the amount of \$3.6 million. Additional funds were collected from various sources, including contributions from veterans' organizations which also qualified for federal matching funds, making the total available for the project of approximately \$6.5 million.

Construction began in late 1996 and was completed in May of 1998. On May 27, 1998, the nursing home began admitting residents. The facility is currently full, with a current waiting list of 55 for future openings. The contract operator for the Department is Quality Health Care, Inc. (QHC).

The facility provides both skilled and intermediate levels of care to Utah's veterans and eligible spouses who are residents of Utah. There is no Medicaid certification or participation in the facility.

The current daily rate is \$92. Of this amount, \$10 from Federal Funds goes to cover the administrative costs; \$30 from Federal Funds plus \$52 from the patient goes to pay the contractor.

An area of concern that needs to be resolved very quickly involves the nursing home's federal certification. As of the end of 1998, the nursing home had still not been certified by the federal government, and as such, is not qualified to receive any federal funds toward the operation of the facility. The nursing home has been operating without this certification since its opening. The administrator has been told by the federal government that it should be certified and that when that occurs, the facility should be certified retroactively to its opening date. However, as of the end of 1998, no certification or funding has been received.

**4.0 Tables: Veterans' Nursing Home**

	<b>FY 1998</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>Difference</b>
<b><u>Plan of Financing</u></b>	<b><u>Actual</u></b>	<b><u>Rev. Estimated</u></b>	<b><u>LFA</u></b>	<b><u>Est./LFA</u></b>
Federal Funds	\$0	\$934,400	\$1,109,600	\$175,200
Dedicated Credits	63,036	1,560,000	1,603,700	43,700
Beginning Non-Lapsing	597,973	654,700	90,000	(564,700)
Closing Non-Lapsing	(654,709)	(90,000)	0	90,000
<b>Total</b>	<b>\$6,300</b>	<b>\$3,059,100</b>	<b>\$2,803,300</b>	<b>(\$255,800)</b>
<b><u>Programs</u></b>				
Veterans' Nursing Home	\$6,300	\$3,059,100	\$2,803,300	(255,800)
<b>Total</b>	<b>\$6,300</b>	<b>\$3,059,100</b>	<b>\$2,803,300</b>	<b>(\$255,800)</b>
<b><u>Expenditures</u></b>				
Personal Services	\$0	\$140,470	\$141,000	\$530
Travel	0	8,200	8,200	0
Current Expense	6,300	2,606,130	2,642,800	36,670
Data Processing	0	11,300	11,300	0
Capital Outlay	0	293,000	0	(293,000)
<b>Total</b>	<b>\$6,300</b>	<b>\$3,059,100</b>	<b>\$2,803,300</b>	<b>(\$255,800)</b>
FTE	0.00	2.00	2.00	0.00

**4.1 Federal Funds: Veterans' Nursing Home**

	<b>FY 2000</b>
	<b><u>LFA</u></b>
Veterans' Nursing Home Operations	
Veterans' Administration	\$1,109,600
<b>Total</b>	<b><u><u>\$1,109,600</u></u></b>